



I hereby give notice that an Extraordinary Meeting of Council will be held on:

Date: Monday, 29 June 2020
Time: 2:00pm
Location: Condobolin Council Chambers

BUSINESS PAPER

Extraordinary Council Meeting

29 June 2020

Order Of Business

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- 1 ACKNOWLEDGEMENT OF COUNTRY AND ELDERS**
- 2 LEAVE OF ABSENCE**
- 3 PUBLIC FORUM**
- 4 DISCLOSURE OF INTEREST**

5 CORPORATE AND COMMUNITY SERVICES

5.1 MAKING OF THE RATES FOR 2020-2021 FINANCIAL YEAR

TRIM Number: R20/68

Author: Administration Officer - Governance, Risk & Corporate Services

PURPOSE

To formally make the Rates and Annual Charges; and adopt the Fees and Charges for the 2020/21 financial year.

SUPPORTING INFORMATION

In conjunction with the adoption of the Operational Plan 2020/21 and the Delivery Program 2017-2021, and associated budgets, it is appropriate for Council to make the Rates and Annual Charges, and Fees and Charges for 2020/21.

BACKGROUND

The power for Council to make rates and charges is conferred on by Chapter 15 of the *Local Government Act 1993*. Part 10 of the Local Government Act 1993 confers the power to make fees.

This is undertaken each year in conjunction with the adoption of the Operational Plan which includes the Estimates of Income and Expenditure for the year commencing 1 July 2020.

FINANCIAL AND RESOURCE IMPLICATIONS

Total estimated income in FY2020/21 from Rates & Annual Charges is \$12.50 million. Failure to make provision for this income would impact significantly on the projected operating result.

CONSULTATION

The Rates and Annual charges along with the Fees and Charges were on public exhibition from 28 May 2020 to 25 June 2020, as required by legislation. As at 12 noon 25 June 2020, no community submissions had been received. Any submissions received between 12 noon 25 June 2020 and the close of submission at 4.30pm on 25 June 2020 will be provided to Council under separate cover on 26 June 2020 as part of the budget document. These documents will be provided separately.

Council has made an internal submission. The submission relates to information supplied by Land and Property Information (LPI) through a supplementary valuation list received after the budget went on public exhibition. A re-ascertainment of a valuation has resulted in Council adjusting the ad valorem rate of the Mining rate category (under section 511 of the *Local Government Act 1993*), to ensure Council maximises its permissible income and therefore remains in a position to deliver on projects for the community that have been outlined in the 2020-2021 Operational Plan.

Minor changes to the fees and charges document

The heading before item no. 650 in the 2020/21 Fees and charges needs to be amended. The detail shown was "Meter Test (refunded if meter is outside +/- 3% accuracy) – each". The **correct** detail should state "Meter Test (refunded if meter is outside +/- 4% accuracy) – each". This is in accordance with Section 158 (5) of the NSW Local Government (General) Regulation 2005.

CONCLUSION

Rates, Annual Charges and Fees are made in accordance with Council's Operational Plan 2020/21 and Delivery Program 2017/18 – 2020/21, and the associated budget and Community Strategic Plan.

Council must formally make Rates and Annual Charges and adopt Fees and Charges for the coming financial year to ensure appropriate income streams are maintained.

LINK TO POLICY AND / OR COMMUNITY STRATEGIC PLAN

Item 4.2.1 of the Community Strategic Plan aims to ensure that “Council is financially sustainable and provides services at a level expected by the community”.

ATTACHMENTS

Nil

RECOMMENDATION

That

1. The Director of Corporate and Community Services Report No. R20/68 be received and noted.
2. Council resolve to MAKE the Rates, Annual Charges and Water Consumption Charges; and adopt the Fees and Charges for the year 1 July 2020 to 30 June 2021, as set out in the 2017 – 2021 Delivery Program, the 2020/21 Operational Plan and the 2020/2021 Budget, being as follows:

MAKING OF THE RATES FOR 2020/21 FINANCIAL**1. ORDINARY RATES**

In accordance with Sections 494, 500, 535 and 543 of the *Local Government Act 1993*, an Ordinary Rate be now made and levied for the year 1 July 2020 to 30 June 2021, being;

ORDINARY RATES					
Category	Base Rate	% of Total Levy for category	Ad Valorem	% of Total Levy for category	% of Total Ordinary Rates Levy
Ordinary - RESIDENTIAL	\$287.00	47.54%	0.01833298	52.46%	15.72%
Ordinary - NON-URBAN	\$294.00	35.98%	0.00951602	64.02%	2.22%
Ordinary - BUSINESS	\$328.00	36.07%	0.02492277	63.93%	5.00%
Ordinary - MINING	\$636.00	0.12%	0.29756010	99.88%	13.36%
Ordinary - FARMLAND	\$285.00	8.04%	0.00285085	91.96%	63.70%

2. WATER CHARGES

In accordance with sections 501, 535, 541 and 543 of the *Local Government Act 1993*, an Annual Charge be now made and levied for the year 1 July 2020 to 30 June 2021 for the provision of water and / or the availability of water service, on;

- a) land which is supplied with water from pipe of the Council; or
- b) land which is situated within 225 metres of a water pipe of the Council, whether the land has a frontage or not to the public road (if any) in which the water pipe is laid, even though the land is not actually connected with water from any water pipe of the Council, and that charge be made and levied, under the following criteria:

WATER CHARGES		
Annual Water Availability Charge 2020/21		
All properties - Connected	Metered Service	Charge per connection
	20 mm Water Service	\$ 476.00
	25 mm Water Service	\$ 727.00
	32 mm Water Service	\$ 1,173.00
	40 mm Water Service	\$ 1,806.00
	50 mm Water Service	\$ 2,805.00
	80 mm Water Service	\$ 7,130.00
	100 mm Water Service	\$ 11,120.00
All properties - Connected	Un-Metered Service	Charge per connection
	Residential	\$ 1,037.00
	Farmland / Rural	\$ 1,037.00
	Business	\$ 1,162.00
	Business-Interconnected	\$ 872.00
	Non-Rateable	\$ 1,037.00
Rateable properties - Not Connected	Unconnected/Unmetered Service	Charge
	Residential Water Availability	\$ 476.00
	Business Water Availability	\$ 476.00
Annual Water Availability Charge - BURCHER AND FIFIELD ONLY		
	Unmetered Service	Charge
All Properties - Connected	Water Connected B/F	\$ 788.00
All Properties - Unconnected	Water Availability B/F	\$ 367.00

Water Consumption Charges

In accordance with Section 502, 539, 540 and 543 of the *Local Government Act 1993*, Council now make and levy Water Consumption Charges in accordance with Council's 2020/21 Fees and Charges, based on the appropriate tariff charge per measure, or estimate of measure, during the 2020/21 Reading Cycle Periods 1, 2, 3 and 4 as shown below:

WATER CONSUMPTION CHARGES				
Category	1st 600 kilolitres per annum	> than 600 kilolitres p/a	Flat Rate per kilolitre	Minimum charge
Residential, Non-Urban, Farmland	\$ 2.90	\$ 4.15	\$ -	\$ 21.00
Business, Non-Residential, Non-Rateable Usage	\$ -	\$ -	\$ 2.90	\$ 21.00
Raw Water – Residential, Non-Residential, Non-Rateable			\$ 2.00	\$ 21.00
Raw Water Usage - Mine Tank & Oval Dam supplies	\$ -	\$ -	\$ 2.00	\$ -
Fixed Standpipe Metered Usage (Flat rate for all consumption)				
Raw Water Usage	\$ -	\$ -	\$ 2.00	\$ -
Potable / Treated Water Usage	\$ -	\$ -	\$ 4.00	\$ -

3. SEWER CHARGES

In accordance with Sections 501, 535, 539 and 543 of the *Local Government Act 1993*, an Annual Charge be now made and levied for the year 1 July 2020 to 30 June 2021 for the provision of sewer, and / or the availability of a sewer service, on:

- a) land which is supplied with sewer supply of the Council; or
- b) land which is situated within 75 metres from a sewer of the Council and is able to be connected;

and that charge be made and levied under the following criteria:

SEWER CHARGES		
Annual Sewer Access & Availability Charge	2020/21	Charge per connection
All Rateable Properties Connected	Residential Sewer Charge	\$ 753.00
	Business Sewer Charge	\$ 753.00
All Rateable Properties Unconnected	Sewer Charge	\$ 753.00
Annual Sewer Charges		
Crown and Schools Connected	Charge per Water Closet	\$ 78.00
	Charge per Urinal or Cistern	\$ 60.00
All Other Non-Rateable Properties - Connected	Charge per Water Closet	\$ 134.00
	Charge per Urinal or Cistern	\$ 60.00

4. WASTE MANAGEMENT CHARGES

Annual Domestic Waste Management Charges

In accordance with Sections 496, 501, 502, 504, 535 and 543 of the *Local Government Act 1993*, an Annual Charge be now made and levied for the year 1 July 2020 to 30 June 2021 for the provision or the availability of a periodic collection of a Waste Service, as described in Council's Fee and Charges, on all land for which a service is available, being;

SERVICE COLLECTION - REGULAR			
Domestic Waste Management Charge - Section 496	2020/21	Charge	Service
Residential Properties - Condobolin	Domestic Waste Management	\$ 515.00	1 x General + Organic + Recycling
Non-Rateable Residential Properties - Condobolin	Domestic Waste Management	\$ 515.00	1 x General + Organic + Recycling
Residential Properties - Villages	Domestic Waste Management	\$ 387.00	1 x General + Recycling
Non-Rateable Residential Properties - Villages	Domestic Waste Management	\$ 387.00	1 x General + Recycling
Residential Properties - Condobolin	Domestic Waste Management - Add General	\$ 127.00	1 x Additional General
Residential Properties - Condobolin	Domestic Waste Management - Add Recycling	\$ 120.00	1 x Additional Recycling
Residential Properties - Condobolin	Domestic Waste Management - Add Organic	\$ 127.00	1 x Additional Organic

Residential Properties - Villages	Domestic Waste Management - Add General	\$ 127.00	1 x Additional General
Residential Properties - Villages	Domestic Waste Management - Add Recycling	\$ 120.00	1 x Additional Recycling
All Properties - Residential	Domestic Waste Management - Replacement	\$ 79.00	Replacement of 240 litre each

Other Waste Charges

In accordance with Sections 501, 502, and 535 of the *Local Government Act 1993*, an Annual Charge be now made and levied for the year 1 July 2020 to 30 June 2021 for the provision or the availability of a periodic collection of a Waste Service, as described in Council's Fees and Charges, being;

SERVICE COLLECTION - REGULAR			
Domestic Waste Management Charge -Section 501	2020/21	Charge	Service
Non-Residential Properties - Condobolin	Business Waste Management	\$ 387.00	1 x General + Organic + Recycling
Non-Rateable Non-Residential Properties - Condobolin	Business Waste Management	\$ 387.00	1 x General + Organic + Recycling
Non-Residential Properties - Condobolin	Business Waste Management - Add General	\$ 127.00	1 x General + Recycling
Non-Residential Properties - Condobolin	Business Waste Management - Add Recycling	\$ 120.00	1 x General + Recycling
Non-Residential Properties - Condobolin	Business Waste Management - Add Organic	\$ 127.00	1 x Additional General
Non-Residential Properties - Villages	Business Waste Management	\$ 387.00	1 x Additional Recycling
Non-Rateable Non-Residential Properties - Villages	Business Waste Management	\$ 387.00	1 x Additional Organic
Non-Residential Properties - Villages	Business Waste Management Other - Add General	\$ 127.00	1 x Additional General
Non-Residential Properties - Villages	Business Waste Management Other - Add Recycling	\$ 120.00	1 x Additional Recycling
All Properties - Non-Residential	Domestic Waste Management - Replacement	\$ 79.00	Replacement of 240 litre
Waste Management - Minimum Charge* (s496 & S501)			
Burcher & Mining - Uncollected	Waste Management Charge	\$ 136.00	Availability
Farmland, Residential, Non-Urban, Rateable Vacant Land - Uncollected	Waste Management Charge	\$ 123.00	Availability

*Previously Tip Management and Rehabilitation Charge

5. STORMWATER CHARGES

In accordance with Sections 496A, 510A, 535 and 543, and clause 125A and clause 125AA, of the *Local Government Act 1993*, an Annual Charge be now made and levied for the year 1 July 2020 to 30 June 2021 for the provision of Stormwater Management Services for all occupied rateable urban residential and business land in the areas of Albert, Burcher, Condobolin, Derriwong, Fifield, Lake Cargelligo, Tottenham and Tullibigeal, as follows:

ANNUAL STORMWATER MANAGEMENT CHARGE		
Stormwater Management Charge	2020/21	Charge
All Rateable Properties (excluding Strata units)	Residential Stormwater Management	\$ 25.00
All Rateable Properties	Business Stormwater Management	\$ 25.00
All Residential Strata Units (each)	Residential Stormwater Management	\$ 12.50

6. ACCRUAL OF INTEREST ON OVERDUE RATES AND CHARGES

In accordance with the provisions of Section 566 and 566 (3) of the *Local Government Act 1993*, that the interest rate to apply on overdue rates and charges, including water usage charges, for the period 1 July 2020 to 30 June 2021, will be the maximum allowed as determined by the Minister of Local Government, or as published by notice in the *Government Gazette*, for the 2020/21 period.

7. FEES AND CHARGES

The Fees and Charges as set out in the Delivery Program, Operational Plan and Budget 2017–2021, inclusive of any amendments, be adopted for the year commencing 1 July 2020.

8. SERVICE OF RATE NOTICES

The Rate, and / or Charge for the 2020/21 rating year be levied on the land specified in the Rates and Charges Notice, including Water Usage Charge notices, by the service of that notice and the General Manager be and is hereby authorised to prepare and serve such notice for and on behalf of the Council.

9. REDUCTION FOR ELIGIBLE PENSIONERS

Eligible pensioners under section 575 and 575 (3) of the *Local Government Act 1993* are granted a rebate of:

- 50% of the combined Ordinary Rate and Domestic Waste Management Service Charge (if applicable), up to a maximum of \$250;
- 50% of the Water Availability Charge per annum (if applicable), up to a maximum of \$87.50; and
- 50% of the Sewerage Access Availability Charge per annum (if applicable) up to a maximum of \$87.50

Or pro-rata thereof, in accordance with section 575 (2) and 575 (4) of the *Local Government Act 1993*.

5.2 ADOPTION UPDATED DELIVERY PROGRAM 2017-2021 AND 2020-2021 OPERATIONAL PLAN, INCORPORATING THE 2020-21 OPERATING BUDGET AND FEES AND CHARGES

TRIM Number: R20/164

Author: Director - Corporate and Community Services

PURPOSE

The purpose of this report is to seek Council agreement to formally adopt the updated 2017-2021 Delivery Program and the 2020-2021 Operational Plan, incorporating the fees and charges and the budget for 2020-2021.

SUPPORTING INFORMATION

Council, as part of its compliance with the Integrated Planning and Reporting Framework, is required to prepare a number of strategic planning documents including a ten (10) year Community Strategic Plan, a ten (10) year long term financial plan, a four (4) year Delivery Plan and an annual Operational Plan which set out Council's objectives, levels of service and provides funding for community service delivery.

BACKGROUND

Council at its meeting on 27 May 2020 resolved to place the 2017-2021 Delivery Program and the draft 2020-2021 Operational Plan, incorporating the budget and fees and charges for 2020-2021, on public exhibition for comment, prior to formal adoption.

ISSUES AND COMMENTS

Following public exhibition of the draft document, Council has received a number of staff submissions. These relate to the 2020-2021 budget as well as the forecast years. This feedback has been incorporated into the updated document. A valuation related matter significantly affected the proposed revenue for 2020-2021 and forecast years. This matter and options for resolution were discussed with Council at the Strategic Briefing on 10 June 2020 and at the 24 June 2020 Council meeting. Council has therefore made an internal submission. The submission relates to information supplied by Land and Property Information (LPI) through a supplementary valuation list received after the budget went on public exhibition. A re-ascertainment of a valuation has resulted in Council adjusting the ad valorem rate of the Mining rate category (*under section 511 of the Local Government Act 1993*), to ensure Council maximises its permissible income and therefore remains in a position to deliver on projects for the community that have been outlined in the 2020-2021 Operational Plan.

Community Submissions:

As of 12 noon on 25 June 2020, no community submissions had been received by Council. If any submissions are received by the cut off time of 4.30pm on 25 June 2020, they will be sent out with the budget documents under separate cover on 26 June 2020.

FINANCIAL AND RESOURCE IMPLICATIONS

These will be set out in the Budget documents and will be sent out under separate cover on 26 June 2020. This is to ensure any community submissions are incorporated for Council's consideration.

LEGAL IMPLICATIONS

Council is required by the *Local Government Act 1993* to adopt an Operational Plan, Revenue Policy, Budget and Fees and Charges on an annual basis.

RISK IMPLICATIONS

There are a number of risks to Council in relation to the timing and amount of revenue to be received as well as the ability to collect rates in a timely manner. In particular, changes to valuations and decisions around rating and rating categories are subject to risk.

There are financial risks related to ensuing actual expenditure is in line with budgeted amounts.

Forecasts are subject to change as they are reviewed as part of the respective year's annual budget and through amendments during the 2020-2021 financial year through the Quarterly Budget review processes.

Councillors are subject to political risk when making decisions about revenue options and the funding of particular programs.

STAKEHOLDER CONSULTATION

Responsible budget officers prepared their budgets in consultation with council's Executive Leadership team.

There have been a number of budget workshops with Councillors over the past 6 months to ensure the budget reflects Council's strategic goals and community objectives.

Community consultation has been undertaken on Council's 2017-2021 Delivery Program and the 2020-2021 Operational Plan, incorporating the budget and fees and charges for the 2020-2021 financial year. These documents were on public exhibition from 28 May 2020 to 25 June 2020 as required by legislation.

CONCLUSION

Council is required to consider adoption of the budget for the 2020-2021 financial year.

LINK TO POLICY AND / OR COMMUNITY STRATEGIC PLAN

The actions relating to this report link to the following strategic outcomes in the CSP:
4.2 Strong effective and responsive Council.

ATTACHMENTS

RECOMMENDATION

That:

1. The Director of Corporate & Community Services Report R20/164 be received and noted.
2. The updated 2017-2021 Delivery Plan and the 2020-2021 Operational Plan incorporating the fees and charges and budget for 2020-2021 be adopted, subject to any changes recommended by Council being incorporated into the documents.

6 INFRASTRUCTURE SERVICES

6.1 ROAD MAINTENANCE COUNCIL CONTRACT

TRIM Number: R20/159

Author: Manager - Roads

PURPOSE

The purpose of this report is to consider Transport for New South Wales (TfNSW) offer to Lachlan Shire Council of a renewal of the Road Maintenance Council Contract (RMCC) with effect from 1 July 2020.

SUPPORTING INFORMATION

Nil

BACKGROUND

TfNSW and its predecessor Roads and Maritime Services have, for a number of years, indicated their desire to update and renew RMCC contracts. The current contracts commenced in October 2008 and although numerous changes have been made over the years the underlying contract documents remained in place. The update and renewal of the contract documents is a logical progression for TfNSW.

TfNSW has conducted a number of interactive consultation meetings throughout the state with RMCC Councils and has made some changes to the proposed contract as a result of those meetings.

Lachlan Shire is responsible for the routine services and (when requested by TfNSW) ordered works for approximately 28 km of MR61 Henry Parkes Way from the Lachlan/Forbes local government boundary to the intersection of Denison and Bathurst Streets in Condobolin.

ISSUES AND COMMENTS

RMMC Contract

The fundamental principles of the proposed contract is that it is a 'Not for Profit' contract and the Council will be remunerated on an actual cost basis for routine services. Ordered Works shall be in accordance with the Contract, however, in the long term the Service Provider's (Councils) revenue for the Contract should equal its costs. Nevertheless it is noted in the contract documents that Council will be remunerated for direct and indirect costs. This would indicate that Council could get remunerated for administration costs in addition to physical work costs.

The proposed contract does transfer some of the risk of failure of work from TfNSW to Council however, this is mainly in terms of Ordered Works. Previously RMS allowed councils to add a percentage of the cost for Ordered Works to allow for this risk. This allowed councils to create a 'surplus' from Ordered Works which could fund any rework that was required if a failure occurred. Councils are required under the proposed contract to achieve and maintain prequalification in the R2 category of the National Prequalification System for Civil (Road and Bridge) Construction within 12 months of the contract commencing to undertake Ordered Works. There is a cost in obtaining this prequalification which could be recovered as an indirect cost as noted above.

The proposed contract requires Council to allow TfNSW to inspect Council financial records in relation to contract work for the contract during an audit process. This was a requirement under the previous contract although the conditions are more defined in this contract than they were previously.

Regional Road review

In February 2019, the NSW Government announced the transfer of up to 15,000 kilometres of regional roads to the State as part of a broader package of support for local councils to better manage and maintain the rural road network. TfNSW is currently undertaking consultation sessions in

regards to this road classification review and transfer. Lachlan Shire has 636.8 km of regional roads for which it receives \$3.3m from TfNSW as a block grant.

The regional road review is in the early stages and there has been no indication from TfNSW how maintenance and construction on regional roads that are transferred back to the State Government will be undertaken or funded. However, one possibility is that these roads will be added to the RMCC contract and therefore if Council was to continue to undertake work on these roads it would need to have a RMCC contract.

FINANCIAL AND RESOURCE IMPLICATIONS

Continuing with the RMCC contract has no implication for Council's current finances or resources. The value of routine services is approximately \$120,000 per year and Ordered Works can range from \$30,000 to \$500,000 per year depending on required works.

LEGAL IMPLICATIONS

Roads Act 1993 and Roads Regulations 2008.

RISK IMPLICATIONS

Although there are risks noted above, in failure of work, the greater risk is that if Council does not participate in the RMCC contract and a significant length of regional road is transferred back to the State Government. This could result in a significant volume of maintenance and construction work being undertaken by another service provider which would affect both labour and plant resources.

STAKEHOLDER CONSULTATION

Transport for New South Wales

OPTIONS

1. Council sign the RMCC contract and continue to undertake work on MR 61 Henry Parkes Way.
2. Council reject the contract and have another contractor or Council undertake the work on MR 61 Henry Parkes Way.

CONCLUSION

Considering the implication of possible changes to the responsibility for the regional road network, Council would be prudent to continue with the RMCC contract at this stage. This does not preclude Council withdrawing from the contract in the future if the situation changes.

LINK TO POLICY AND / OR COMMUNITY STRATEGIC PLAN

- CSP No. 3.1 Efficient transport networks that meet community and business needs.

ATTACHMENTS

Nil

RECOMMENDATION

That:

1. The Acting Director of Infrastructure Services Report No. R20/159 be received and noted.
2. Council enter into a Road Maintenance Council Contract with Transport for New South Wales and authorise the General Manager to sign the relevant contract documents.

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7 CLOSED SESSION**RECOMMENDATION**

That Council considers the confidential report(s) listed below in a meeting closed to the public in accordance with Section 10A(2) of the Local Government Act 1993:

7.1 Lake Cargelligo Water Treatment Plant - Ultra Filtration Skids Pipework Replacement

This matter is considered to be confidential under Section 10A(2)di of the Local Government Act, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it.